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UNCLAS SECTION 01 OF 02 ANKARA 001705

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E.O. 12958: N/A

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SUBJECT: GOT Response on WTO Services Negotiations  
Demarche

Ref: State 50753

Oya Karakas, Head of Department in the MFA General Directorate of Multilateral Economic Affairs, sent Embassy the following reply on March 11 to reftel demarche on the WTO services negotiations. The reply indicates that the GOT may not meet the March 31 deadline for submission of initial services offers.

Begin Text MFA Reply:

7.03.2003  
EGY-I

#### SOME PRELIMINARY VIEWS ON THE WTO GATS NEGOTIATIONS

Trade in services has always been an area priority for Turkey, in the context of multilateral trade negotiations throughout the Uruguay Round. We have not only actively participated in the work of the WTO Council for Trade in Services and its subsidiary bodies, but we have also taken our part in the negotiations mandated by the GATS. The extent of our Uruguay Round commitments and the level of liberalisation in our services sector clearly show our intentions. Moreover, since the beginning of these mandated negotiations, we have supported the process with our flexible approach and made our contribution.

In this spirit, we have received initial requests from some of our trade partners and presented ours to some of them. We have also carried out some bilateral contacts with them, including the US. We are pleased with the level of interaction and cooperation among the negotiation teams of members in services negotiations and we happily observe a certain degree of progress.

We are well aware of timeframes of the Doha Development Agenda, but as we all know, these indicative timeframes are foreseen for all areas of negotiation and services negotiations cannot be excluded from the whole picture. We should not forget the fact that these timeframes of the DDA concerning different areas are all interrelated.

At this stage of the negotiations, while some deadlines are approaching and some are already met, unfortunately we are still far from substantial achievements in some areas. We also see a certain reluctance shown by some members. For instance, there is not yet enough progress in the TRIPS Agreement negotiations such as protection for geographical indications and access to medicines.

As for the 31 March 2003 deadline for initial offers in services, we are not yet certain about whether we will be able to meet this deadline or not. Although we are in process of assessing our interests and the priorities of our sectors, as well as the initial requests that we have received so far, we are not yet in a position to set an exact date for conclusion of our initial study.

In addition to general concerns about liberalization and greater market access for foreigners, we also have certain sensitivities concerning our existing bilateral commitments with our certain trading partners, such as the EU.

Needless to say, conclusion of the required "modalities" is not only important, but it is a prerequisite for the

negotiations. Since the beginning, we have been as flexible as possible, so that the discussions for modalities should not be an obstacle for negotiations. Similarly, we have also been flexible in the issue of assessment of trade. In order not to delay the negotiations, we accepted that it is an ongoing process.

We fully understand the importance of "autonomous liberalization" for certain members and we are following the discussions on this issue and we are quite flexible on it. Since, we expect the outcome to be a voluntary mechanism, we see this issue as a secondary one.

We understand the importance of liberalization in certain sectors, for your service suppliers. In fact, all members have their own priorities and hopefully throughout the negotiations we will accommodate all these in a manner beneficial and acceptable for all.

Among some sectors, commitments and market access for natural persons, or "Mode 4" commitments are particularly important for us. This comes as a result of the demands of our dynamic population.

At this stage, our initial consultations with our relevant authorities and related sectors are still under way and we are preparing our initial offers. We understand that we may later revise them according to the offers and requests of other members.

In this connection, we are looking forward to initial offers of developed members. In our view, these offers will be an important indicator for the direction of the negotiations. The response of the developed members for the requests of the developing members may have positive or negative ramifications in other negotiation fora at the WTO.  
End Text.  
Pearson